

## City of Hemet

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November 6, 2019

Honorable Bill Jahn
President, Regional Council
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Subject: Draft Regional Housing Needs Assessment (RHNA) Methodologies

## Dear President Jahn:

The City of Hemet appreciates that the SCAG Regional Council is committed to adopting a RHNA methodology that complies with State law and is fair and equitable. However, the City also encourages the Regional Council to consider a methodology that is attainable by its jurisdictions. Without State funding for infrastructure, job creation, improved educational opportunities, and wealth creation, the City of Hemet will not be able to meet its RHNA obligation regardless of any of the currently proposed methodologies.

The City of Hemet is located in an eastern "cul-de-sac" of Riverside County. It is 20 minutes to the closest freeway, 30 minutes to the closest light rail, and 60 minutes to any major employment centers. The City has significant infrastructure issues, particularly relating to water supply and stormwater drainage that are complicated and costly to fix. The City's median income is among the lowest in the region.

Although the City has explored and participated in most State and Federal programs offered, it is still struggling to recover from the Great Recession. Many of our residents are underemployed or unemployed. The City has approved 3,231 residential units including over 300 apartment units, but only 395 single-family homes were actually built in the past five years and over 3,000 jobs have been lost. Builders are reporting that it is financially difficult, if not impossible, to build in Hemet because the cost to build exceeds the value of the residential units in the City.

It appears that a substitute motion was presented at the October 7, 2019 RHNA Subcommittee Meeting that reduces Hemet's RHNA from 12,640 units (Option 4) to 6,449 units in the next six years. The City appreciates the substitute motion although even the lower RHNA is most likely unattainable. The Option 4 RHNA allocation expects the City to meet 69.3 percent of its 25-year SCAG Map Book household growth from 2020 to 2045 (18,238 households) in the 8.25 year Cycle 6 term. That is an unfair and impossible task. Even the revised RHNA of 6,449 units from the substitute motion is nearly twenty times the number of units that were built in the City in the last RHNA cycle.

Adopting an unattainable methodology will once again doom the SCAG region and its cities to a failure in building residential units as suggested by the RHNA. It is imperative that the SCAG Council adopt a methodology that matches housing units with jobs, as required by State mandates to pair RHNA and the Regional Transportation Plan. Even if it were possible for the City to achieve the numbers proposed by the RHNA, this would result in additional congestion, gridlock, and deteriorating air quality in the Inland Empire whose residents have to travel to jobs rich areas to work because local jobs are not available. It would also run counter to the recent State-mandated Vehicle Miles Traveled (VMT) standard for measuring traffic impacts.

The City recommends Option 2 of the original proposed methodologies as the most reasonable methodology, although it would still allocate to the City of Hemet a requirement that is six times the number of units built within the last cycle.

We strongly urge the SCAG Regional Council to consider a revised RHNA methodology as recommended by WRCOG jurisdictions that would allocate RHNA based on the following:

- 50% of the existing need allocation to be based on high quality transit areas (HQTAs)
- 50% of the existing need to be based on proximity to job centers; and
- "Residual" units to be redistributed to the jurisdictions with the county they were generated instead of a regional-wide distribution.

Sincerely,

Christopher Lopez

Interim City Manager, City of Hemet